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## 1952 LOSS ADJUSTMENT MANUAL FOR CITRUS

### INTRODUCTION

The adjuster should familiarize himself with the insurance contract and the general provisions of the program as well as with his responsibilities, those of the state director, district supervisor, and county committee in order that he may ably represent the Corporation in his field contacts. In addition, he must know the basic principles of loss adjustment as contained in the Adjuster's Handbook. Instructions relative to Form FCI-8-Revised, "Notice of Material Damage or Loss" (herein called "Form 8") are contained in General Procedure 8-Revised and in supplemental instructions issued by the state director.

### SECTION I. INSPECTIONS AND PREPARATION OF THE INSPECTION REPORT

#### Subsection A. General

##### 1. Insurance Unit

It is essential that the adjuster clearly understands what constitutes an "insurance unit" because he must make this determination at the time of each inspection. While one policy covers all of the insurable groves (in the county) in which the insured has an interest, losses are settled separately on each insurance unit. In determining the groves which constitute an insurance unit it is necessary to consider the different persons sharing in the crop. The insured has an insurance unit for each of the following situations:

- a. All of the insurable groves in the county in which the insured had 100% interest in the crop at the beginning of the insurance period is one insurance unit.
- b. All of the insurable groves in the county in which the insured shared at the beginning of the insurance period with one person, or with one group of persons operating jointly, is one insurance unit. (He will have as many additional units as he has groves in which different persons shared with him in the crop.)

##### 2. Acreage Not Covered by Insurance

An insurance unit will not include (a) any land which is designated on the county crop insurance map as "unclassified", (b) any land within the county for which no coverage was established, (c) the part(s) of the county line groves which lie in an adjoining county and for which no coverage was established on the county map, and (d) any acreage shown as uninsurable on line 8 of item D of Form FCI-112-Citrus, "Application for Citrus Crop Insurance" (herein called "Form 112").

##### 3. Appraisals of Production for Causes of Loss Not Insured Against

The contract guarantees the insured producer protection against loss of production due to hurricane, tornado, freeze, and hail. Since the contract insures only against loss of production due to specified causes of loss, it follows that the contract does not cover loss due to any other cause.

In adjusting a loss the adjuster must keep in mind at all times that the contract, in addition to setting forth those causes of loss mentioned above, also sets forth many causes of loss which are not insured against. It is important in loss adjustment work to remember that any cause of loss not insured against by the contract is an uninsured cause of loss.

In every case it must be established whether any part of the loss is due to any cause(s) not insured against. If any such loss is involved, an appraisal of the amount of production lost or the loss in weight of the fruit due to the uninsured cause(s) must be made. Establishing the amount of this appraisal requires the exercise of sound judgment.

4. Preliminary Steps Before Inspection

The adjuster shall visit the county office and familiarize himself with all material in the insured's file including current correspondence, all Forms FCI-163-Citrus, "Inspection Report for Citrus" (herein called "Form 163") previously prepared, and shall obtain records and other data which will be helpful to him in making the inspection.

5. Transfer of Interest Cases

In order for a transfer of interest to occur there must be a bona-fide transfer of title in the grove or in the fruit therein. For example, selling the fruit on the tree for a specified number of dollars constitutes a transfer of interest but merely entering into a contract to sell the fruit when it is picked does not constitute a transfer until title thereto is actually exchanged.

If the adjuster finds that there has been a transfer of interest which took place after the beginning of the insurance period, but before harvest, or June 30, 1953, whichever occurs first, he shall determine whether Form FCI-21-Revised, "Transfer of Interest" (herein called "Form 21") has been filed with the county office. Instructions for the preparation of Form 21 are contained in General Procedure 8-Revised, and in special instructions issued by the state director.

If the adjuster determines that Form 21 has not been filed with the county office he shall inform the transferee that in order for him to obtain insurance on the interest transferred, it will be necessary for the transferor to file a Form 21 at the county office, or with the adjuster. A transfer of interest will not be effective with respect to any fruit harvested from the insurance unit before the transfer occurred. Neither will a transfer of interest be effective with respect to any loss which occurred prior to the transfer.

In any case where the transferor has not filed a Form 21 with the county office and does not file one with the adjuster at the time the inspection is made, the adjuster shall prepare a Form FCI-6, "Statement of Facts" (herein called "Form 6") containing all the data required to prepare a Form 21.

When adjusting a loss in a case where the transfer involves only a portion of the acreage or interest on the insurance unit, the adjuster shall obtain all basic information on the transferred acreage, whether or not an acceptable Form 21 has been executed. This is necessary in order for the Corporation to compute any indemnity which may be due the transferor on the acreage or interest not transferred.

In cases where an acceptable Form 21 has not been executed in time for the transferee to file a loss claim within the time limit set forth in Section II, A, 1, d, hereof, the transferee would not have insurance protection on the acreage transferred and accordingly would not be eligible to claim any indemnity under the contract. In such cases if the transferee gives the notice of damage or probable loss or raises a question regarding the right to an indemnity, the basic requirements for effecting a transfer should be fully explained to him.

#### Subsection B. Preparation of Inspection Report (Form 163)

General instructions for preparing Form 163 are contained on the reverse side of the last copy of the form. In addition, the adjuster shall be governed by the following:

1. Where an inspection is made the adjuster shall prepare a Form 163 for each grove at the time of each inspection of the grove. A separate Form 163 shall be prepared for each part of a grove in the following cases:
  - a. Where a transfer of interest has occurred involving a part of the acreage or a part of the insured's interest in the citrus crop in the grove, if the damage occurred after the transfer took place, or
  - b. Where the insured has different shares in the citrus crop in parts of the grove.

#### 2. Heading

The entries for the heading are generally self-explanatory and shall be completed in every case, with special attention given to the items listed below.

If the grove identification shown on the application is incorrect or incomplete, the correct grove identification shall be entered on Form 163. Likewise, if the facts indicate that the insurance unit number shown on the application is incorrect, the correct insurance unit number shall be entered. In such cases a statement of facts on Form 6 shall be prepared and attached to the Form 163.

The instructions on the reverse side of the last copy of Form 163 provide that a separate Form 163 shall be prepared for each cause of damage. However, where two or more insured causes of damage occur at the same time, only one Form 163 shall be prepared, but each such cause of damage shall be entered. The date of the damage shall be entered in every case.

#### 3. Part I. Data for Fruit Damaged by Insured Causes

##### Column A

If the total acreage of citrus on the insurance unit is significantly less than the corresponding acreage shown on Form 112, the adjuster shall prepare a Form FCI-2, "Agreement", (herein called "Form 2") showing correct data for each unit shown on the accepted application. This Form 2 shall be prepared in accordance with the County Application Procedure. In such cases a statement of facts on Form 6 shall be prepared and attached to the Form 2.

Column B

In determining the entry for Column B, if the damaged fruit for any crop vary in size, the adjuster shall make certain that the number of fruit used to convert to a standard field box is representative of all the damaged fruit.

Column D

In determining the entry for column D, if any of the fruit partially damaged by freeze or hail which is marketed has been damaged by an uninsured cause and such uninsured cause of damage resulted in the fruit losing weight, such loss of weight shall be added to the actual weight of the fruit.

4. Part II. Data for Total Quantity of Fruit which was or would have been Produced

a. Part II shall include the shares of all persons in the insured fruit on the grove (or part thereof) covered by Form 163. Routine completion of Part II of Form 163 shall not be considered adequate to determine the total quantity of fruit which was or would have been produced. If after checking the growers' records the adjuster does not feel that all harvested fruit has been reported, the records of nearby cooperative growers associations, independent packing houses or buyers and juice plants should be checked to determine if all harvested fruit has been reported.

b. Column M

In determining the entry for column M, the adjuster must remember that the insured causes of loss are limited to freeze, hail, hurricane and tornado, and that any loss of fruit due to any other cause is uninsured. Therefore, the entry for column M shall include any fruit lost due to any uninsured cause of loss. Most of the uninsured causes of loss are listed in the policy. Particular attention shall be given to loss due to normal dropping, insects, plant disease, drought, and failure of an agency to accept delivery of marketable fruit.

c. Signature and Date

After all necessary entries and computations have been made on Form 163 as provided in this Section, they shall be checked for accuracy. The adjuster shall also make certain that all necessary entries have been made. After this has been done and the adjuster is satisfied that the form is complete and correct in every respect he shall sign the form in the space provided and enter the date on which the inspection is made.

The signature of the insured should be obtained, unless it is impracticable to do so, in which case a statement explaining why his signature was not obtained shall be included in Part III. Form 163 shall be distributed in accordance with Section V. hereof.

SECTION II. ADJUSTMENT OF CLAIMS

Subsection A. General

1. Responsibilities of the Insured:

- a. The insured (or the transferee, where an approved Form 21 is on file) is required to submit notice to the county office within 7 days after each material damage to the insured crop from an insured cause during the insurance period, if a loss is probable.
- b. In the case of freeze or hail, if the extent of damage cannot be determined until after the damaged fruit is harvested, an additional notice, stating the date that harvest of the damaged fruit was completed for the insurance unit, shall be submitted by the insured (or the transferee) to the county office within 15 days after harvest is completed.
- c. If notice of loss is not given as set forth in a and b above the Corporation reserves the right to reject any claim for indemnity. This provision is essential in order that inspections may be made while the facts can best be determined.
- d. If a loss is sustained the insured (or transferee) shall submit claim for loss on Form FCI-167-Citrus, "Statement in Proof of Loss for Citrus", (herein called "Form 167") within (1) 90 days after the time of damage in the case of hurricane or tornado or (2) 60 days after the completion of harvesting the damaged fruit in the case of freeze or hail, but in no event later than July 31, 1953. If the claim is submitted later than the above, see Section III, C, hereof.
- e. The insured (or the transferee) shall establish that the amount of any loss for which claim is made has been directly caused by one or more of the hazards insured against by the contract during the term thereof, and that the loss has not arisen from or been caused by, either directly or indirectly, any of the hazards not insured against.
- f. If the insured (or the transferee) refuses or neglects to act in accordance with a, b, or d, above, the assignee, if any, should take the action required of the insured (or transferee).

2. Responsibilities of the Adjuster:

- a. In making each inspection the adjuster shall determine that the notice(s) of loss was given within the time specified in paragraphs 1.a. and 1.b., above. In making an inspection in connection with a claim for loss, the adjuster shall determine that the claim can be submitted within the time specified in paragraph 1.d. above. If notice(s) of loss was not given within the time specified or if the claim for loss cannot be submitted within the time specified the case shall be handled as provided in Section III. B. or III. C. hereof, whichever is applicable.

- b. The adjuster shall not complete a Form 167 until (1) he has established the identity of the acreage constituting the insurance unit and has inspected all groves in the unit, (2) he has verified the rate area(s) in which the acreage is located, (3) he has verified the acreage of citrus on the unit and has established the insured's share in the crop, (4) he has verified to his satisfaction that all of the production for the unit has been reported, (5) he has made any necessary appraisals of production, including appraisals for uninsured causes of loss, and (6) he has determined all causes of loss and that the loss claimed is due to causes which are insured against. If for any of the above reasons the adjuster is unable to complete the Form 167, the case shall be handled in accordance with subsection F of this Section.
- c. The adjuster shall prepare Form FCI-26, "Adjuster's Report" in connection with each Form 167 filed. The Form FCI-26 shall be attached to the related Form 167 when it is submitted to the state director.
- d. In any case where a timely notice of loss is filed by the insured, the adjuster shall not refuse to assist the insured in filing Form 167 even though the adjuster feels that the claim has no merit and cannot recommend approval of the claim. In such cases the adjuster should not sign Form 167.

#### Subsection B. General Instructions Applicable to Preparation of Form 167

- 1. A separate Form 167 (or a "master" and "supplemental" Forms 167, where subsection D of this section applies) shall be prepared for each unit on which a loss is claimed.
- 2. Where the insured fails to establish and maintain separate records satisfactory to the Corporation of production for two or more insurance units, or for any insurance unit(s) and uninsured acreage, the case shall be handled in accordance with subsection D of this section. However, if the adjuster feels that insurance with respect to such units should be voided, he shall prepare Form 6, setting forth the facts which he feels justify this action and his recommendation. When Form 6 is prepared in such cases the adjuster should not sign Form 167. If the insurance for such units is voided, the Corporation may retain the premium.
- 3. The insured and the adjuster certify only to the basic data appearing on Form 167, which include the acreages, the insured interest, the actual and appraised quantity of production and of loss, and the cause(s) of damage. Therefore, the adjuster shall complete Form 167 only to the extent required to obtain this information. Entries shall be made, where applicable, in all of the spaces where there are solid lines. The dotted lines are provided for computations.
- 4. Where it appears that no loss will be payable on the unit, (because the average percent of damage on the unit is less than 10%), or where the insured requests information as to the approximate indemnity he may expect to receive, the adjuster may perform the necessary computations on a scratch pad, using the instructions printed on the inside of the front cover of the pad containing Forms 167, and advise the insured accordingly. If the damage on the unit is less than 10% the adjuster should explain to the insured why no loss is payable.

5. In all cases the insured shall be informed that the required computations will be made by the Corporation and that his copy of Form 167 will be mailed to him after the audit is completed.
6. Where a statement of facts is required, Form 6 should be used to record the necessary information. In cases where more than one statement of facts is required, all such statements may be entered on the same Form 6 insofar as space permits.

#### Subsection C. Preparation of Form 167 for Usual Cases

1. The instructions set forth in this subsection apply in all cases where (a) the insured has the same share in all the acreage of citrus on the unit and (b) there was no transfer of interest in the citrus crop (on the unit) before the insured cause(s) of damage occurred. In all other cases Form 167 shall be prepared in accordance with paragraph 1, 2, and 3 of subsection D of this Section.
2. Form 167 shall be prepared as follows:

##### a. Heading

The entries for the heading are self-explanatory. The name of the insured entered on Form 167 must agree with the name as it appears on the application unless the name of a legal representative, transferee or assignee is entered, in which case a Form 6 fully explaining the difference shall be attached to Form 167. In these cases the contract number entered on Form 167 shall be the same as that shown on the application signed by the original insured. See Section II, A, 1, f, for the conditions under which an assignee may file Form 167.

If another insured has a contract covering the insurance unit, and a loss is involved, the adjuster should prepare a complete set of loss forms for such other insured.

##### b. Boxes

The instructions for completing each box are printed on the inside of the front cover of the pad containing Forms 167.

Where the insured interest entered in Box B differs from the reported share shown on the application or, where applicable, the Form 2, Form 6 explaining the difference shall be attached.

##### c. Part I. Determination of Average Percent Damage Due to Insured Causes

The instructions for completing each item are printed on the inside of the front cover of the pad containing Forms 167.

In connection with any computation, rounding shall be performed as follows: Carry the computation one digit beyond the digit to be rounded. If the last digit is 5 or larger, round upward; if the last digit is 4 or smaller disregard it.

In executing the items in Part I care should be taken to see that proper entries are made for fruit lost due to insured causes and that the entries for total production of each kind of fruit include all fruit that was or would have been produced on the unit.

d. Part II and III

Instructions for completing these parts are printed on the inside of the front cover of the pad containing Forms 167 and will not be repeated in this procedure.

e. Part IV. Causes of damage Insured Against

The instructions for completing Part IV are outlined on the inside of the front cover of the pad containing Forms 167. No uninsured cause(s) of damage shall be entered in Part IV.

f. Part V. Claim, Certification, Release and Assignment

Item 18. By signing Form 167 the insured certifies to the basic data appearing on the form and transfers to the Corporation any claim he may have against any person(s) for damage to the crop to the extent that payment for loss resulting from such damage is made to the insured by the Corporation. The insured shall be informed of all the conditions of the certification as set forth in the "Adjuster's Handbook."

Enter in the space provided either "yes" or "no" to the question whether a collateral assignment is outstanding. If a Form FCI-20-Revised, "Collateral Assignment", approved by the Corporation, is on file in the county office, the word "no" shall not be entered until the adjuster determines that the assignee has released the assignment in writing. Where "yes" is entered, and the insured wants the assignee to be paid separately to the extent of the cash amount (or less) of the assignment, a statement to this effect, signed by the insured, must accompany the Form 167. If the statement provides for the issuance of a separate check to the insured and a separate check to the assignee for an amount less than that shown on the assignment, it must also be signed by the assignee. If no such statement is attached, a joint check will be issued.

The adjuster shall review Form 167 and determine that all necessary entries have been made thereon and shall discuss all appraisals and other basic data with the insured before it is signed by him. After the form is filed by the insured, no person has authority to change or enter thereon any basic data. If, after the form has been filed by the insured, it is found that any of the basic data shown thereon are incorrect, the case shall be handled in accordance with the procedure set forth in Section III, subsection A, hereof.

The insured (or other eligible claimant) shall sign and enter the date in the spaces provided in item 18. Before signing, he should be cautioned that his signature must agree with the name in the heading of Form 167, and, where applicable, with his signature on the application. The signature must actually be affixed by the person whose name appears in the heading of Form 167, or by his authorized representative.

If the signature of the insured is affixed in a representative capacity, the adjuster must determine that a power of attorney or other acceptable evidence is on file in the courthouse or the county office authorizing the person to sign in the capacity in which he signs.

Item 19: The adjuster shall not approve the Form 167 until (1) he has made the determinations required in subsection A, 2, of this Section, (2) all basic data have been entered thereon, and (3) it has been signed by the insured. If, after the insured has signed the form, the adjuster can certify to the statements in item 19, he shall sign and date the form in the spaces provided.

Item 20: This item is for the use of the state director.

Subsection D. Preparation of Form 167 for Unusual Cases

1. Where the insured has different shares in parts of the citrus crop on the insurance unit

A separate Form 167 shall be prepared for each acreage on the unit on which the insured has a different share. (For example: If the insured has 66.7 percent interest in 15 acres of citrus and 50 percent interest in 10 acres of citrus on the same unit, one Form 167 shall be prepared for the 15 acres and another Form 167 shall be prepared for the 10 acres.) The word "Supplemental" shall be entered immediately above the title on each of these forms. After the "supplemental" forms have been prepared as provided below, the entries thereon shall be summarized and entered on a Form 167 which shall be identified by entering the word "Master" immediately above the title. These "supplemental" forms and the "master" form shall be prepared as follows:

(a) "Supplemental" forms

(1) Heading

Complete the heading in the usual manner.

(2) Boxes

Box A: Enter the insured acreage of citrus for the part of the unit covered by the "supplemental" form.

Box B: Enter the insured interest in the acreage covered by the "supplemental" form.

Boxes C and D: Complete these boxes in the usual manner.

(3) Part I

Enter all the data applicable to the acreage covered by the "supplemental" form.

(4) Items 18 and 19

The insured and the adjuster shall sign each of the "supplemental" forms and enter the date of signature.

(5) No other entries shall be made on the "supplemental" forms.

(b) "Master" form

(1) Heading

Complete the heading in the usual manner.

(2) Boxes

Box A: To obtain the entry for box A for the "master" form, add the entries for that box appearing on all "supplemental" forms covering parts of the unit, and enter the sum thereof on the "master" form.

Box B: Enter the word "Varying".

Box C: Complete this box in the usual manner.

Box D: To obtain the entry for this box for the "master" form, add the entries for that box appearing on all "supplemental" forms covering parts of the unit, and enter the sum thereof on the "master" form.

(3) Part I, Columns A, B, and D:

To obtain each of these items for the "master" form, add the entries for that item appearing on all "supplemental" forms covering parts of the unit, and enter the sum thereof on the "master" form.

(4) Part IV

Complete Part IV in the usual manner.

(5) Items 18 and 19

Complete these items in the usual manner. It is necessary for the "master" form to be signed and dated by the insured as well as each of the "supplemental" forms.

2. Where there has been a transfer of interest in the citrus crop on the insurance unit

The contract provides that in the event of a transfer of interest, the Corporation shall not be liable for a greater indemnity than would have been paid had the transfer not taken place. Transfers shall be handled in accordance with the applicable of paragraphs a, b, or c below except that where a Form 21 has not been signed by the transferor, the transferee shall not be permitted to sign Form 167.

a. Transfer of all or part of the insured interest in all of the insured acreage on the unit

Prepare Form 167 in the usual manner, except that the name of the insured and the insured interest (box B) shall be determined on the basis of the insured interest of the original insured and the information shown on Form 21, if one has been signed by the transferor.

b. Transfer of all the insured interest in a part of the insured acreage on the unit

(1) If paragraph 1 of this subsection does not apply and only one transfer has been made:

(a) Draw a vertical line through the center of all spaces provided for entries where there are solid lines.

(b) To the left of the vertical line enter the data for the entire unit.

(c) To the right of the vertical line enter the data for one of the following: (1) if the transferee is submitting the claim, enter the data for the acreage transferred, or (2) if the transferor is submitting the claim, enter the data for the acreage not transferred.

(d) Otherwise prepare the Form 167 in the usual manner.

(2) If paragraph 1 of this subsection does not apply and two or more transfers have been made:

(a) Prepare a Form 167 for each individual (transferor and transferee) who has an insured interest under the contract at the time of damage. These forms shall be prepared in the usual manner except that the words "Transfer of Interest - data for a part of the insurance unit" shall be entered above the title.

(b) Prepare a Form 167 covering the entire unit. The words "Transfer of Interest - data for entire insurance unit" shall be entered above the title of the form. It should be prepared as if no transfer of interest had taken place and should be completed only through Part I.

(c) All Forms 167 prepared for the parts of the unit as well as the one prepared for the entire unit shall be submitted together.

c. Where there is a transfer of part of the insured interest in a part of the insured acreage on the insurance unit, or where there is one or more transfers and paragraph 1 of this subsection applies to the original insured.

(1) Prepare a Form 167 for:

- (a) The insured acreage on the unit for each individual transferor or transferee (and, where applicable each acreage on the unit on which each individual has a different share).
- (b) If more than one Form 167 is prepared for the same insured, a "master" form shall be prepared consolidating such data.
- (c) The entire unit as if no transfer had taken place.

(2) Prepare these Forms 167 in accordance with the instructions contained in paragraph 2.b.(2) above.

3. Where the insured commingles production from two or more insurance units, or from any insurance unit(s) and uninsured acreage, and fails to maintain separate records of production and acreage

a. Prepare Form(s) 167 for each unit in accordance with subsection C of this Section or paragraphs 1 or 2 of this subsection, whichever is applicable, except as follows:

- (1) In addition to any identification of the form as required above, enter the words "Part of a combination" immediately above the title of each of these forms.
- (2) Enter the word "commingled" in the upper right hand corner of Part I on each of these forms.

b. Prepare a Form 167 consolidating the data for all of the units in accordance with subsection C of this Section or paragraphs 1 or 2 of this subsection, except as follows:

- (1) Enter the words "Master - Combination" immediately above the title on this form.
- (2) The insurance unit number of all units involved shall be entered in the space provided.
- (3) Complete Part I in the usual manner, showing complete information for all of the commingled production.

Subsection E. Other Unusual Cases

If a case arises which because of some special circumstance is meritorious but which is not specifically covered by this procedure or if the application of this procedure results in an undue hardship on the insured, the case should be submitted in accordance with General Procedure 4.

#### Subsection F. Cases where the Insured and Adjuster Cannot Agree

If the insured and the adjuster cannot agree on the basis for settlement of a loss claim the case shall be referred to the supervisor. If the insured and the supervisor cannot agree, two Forms 167 shall be prepared, one showing the data submitted by the insured and signed only by him, and the other showing the data determined by the supervisor and signed only by him. The supervisor shall submit both forms to the state director in accordance with General Procedure 4. If the insured does not file his Form 167 at that time, he shall be advised by the supervisor that such Form 167 must be filed not later than the time set forth in subsection A, 1, d, of this section. Every effort should be made to handle these cases as promptly and speedily as possible.

#### Subsection G. Transmitting Forms 167 to the Director

The adjuster shall forward daily to the director all copies of all completed Forms 167. All copies of any Forms 6 prepared as provided in this procedure shall be attached securely to the related Form 167.

### SECTION III. CORRECTED FORMS 167, DELAYED NOTICE OF LOSS OR FORMS 167

#### Subsection A. Corrected Forms 167

If after a Form 167 has been filed by the insured it is found that the basic data thereon are incorrect because of a bona fide error on the part of the insured or the adjuster, a corrected Form 167 (plainly marked "corrected" in the heading thereof) shall be prepared and signed both by the insured and the adjuster. (However, unless the correction would change the indemnity as much as \$5.00, a "corrected" Form 167 may not be approved by the state director.) In addition, the adjuster shall prepare Form 6 fully explaining how the error occurred and including all facts pertinent to the case. The Form 6 shall be attached to the "corrected" Form 167 and transmitted promptly to the state director, together with the Form 167 originally filed by the insured, if such form has not already been transmitted. In no case shall the Form 167 originally filed by the insured be destroyed.

If after a Form 167 has been filed by the insured it is found that the basic data thereon are incorrect and it appears that the insured may have acted in bad faith by concealing some material fact, the adjuster shall prepare a Form 6 setting forth all pertinent facts regarding the case. This Form 6 shall be transmitted promptly to the state director. If the insured wishes to file a "corrected" Form 167 in such cases, the adjuster shall not sign such form but shall attach thereto the Form 6. The Form 167 originally filed by the insured shall of course be transmitted promptly to the state director in all cases, if such form has not already been transmitted.

It will not be necessary to prepare a "corrected" Form 167 if the basic data on the original form are correct and settlement has been made in a lesser amount than the correct indemnity and the insured is requesting the additional amount.

Subsection B. Delayed Notice of Loss

1. If the notice of loss was given later than the time set forth in Section II, subsection A, 1, a and b, hereof, but in sufficient time for a Form 167 to be filed within the time set forth in Section II, subsection A, 1, d, the insured shall be informed of the requirement of the contract set forth above for giving notice of loss. The adjuster shall request the insured to submit along with the Form 167, if one is filed, a statement showing the reasons for the delay in filing a notice of loss. In these cases, the adjuster shall prepare Form 6 showing (a) the method used in determining the quantity of fruit which was or would have been produced, (b) whether he is entirely satisfied that all production was accounted for, (c) whether he is satisfied that damage from insured causes has been properly ascertained, (d) whether he feels certain that he was able to ascertain the extent of any insurable cause of loss and the method of making appraisals for such causes, (e) in what respects the evidence with regard to production and damage is or is not as satisfactory as it would have been if the notice had been submitted as required by the contract, (f) the date the Form 8 was filed by the insured, and (g) any other facts which he considers pertinent to the case.
2. If it is evident when the adjuster receives Form 8 that it will not be possible for the insured to file a Form 167 within the time set forth in Section II, subsection A, 1, d, he should act under existing instructions from the state director for such cases or request instructions from the director as to whether he should make an inspection.

If it is not evident when the adjuster receives Form 8 that it will not be possible for the insured to file a Form 167 within the time set forth in Section II, subsection A, 1, d, but he finds upon inspection that the notice was given too late to permit the inspection to be made and the Form 167 to be filed within this period, the adjuster shall make the inspection, prepare Form 163 and obtain from the insured a written statement as to the reason for the delay in filing the notice of loss, and submit the case to the director for consideration without preparing a Form 167. However, if the insured insists upon filing a Form 167 in cases of this kind, he should be permitted to do so but he should be informed of the provision of the contract for reporting loss to the county office and the provision for filing a Form 167, but the adjuster should not sign these Forms 167 indicating his approval.

Subsection C. Delayed Forms 167

The contract provides that the Form 167 shall be filed not later than the time set forth in Section II, subsection A, 1, d, unless the time for filing the claim is extended in writing by the Corporation. This time will not be extended except in the most meritorious cases. Where a Form 167 is submitted later than the time specified, the adjuster shall request the insured to submit along with the Form 167, a statement showing the reasons for the delay in order that a determination may be made as to whether the extension is to be granted.

In these cases, the adjuster shall submit a statement on Form 6 giving all the information requested in subsection B, 1, of this Section.

SECTION IV. SETTLEMENT OF LOSS CLAIMS

The adjuster shall inform the insured that any claim for indemnity submitted in accordance with the contract and applicable procedures will be paid by the issuance of a check of the Corporation payable to and mailed to the person(s) entitled to such payment under the contract.

SECTION V. DISTRIBUTION OF FORMS

The following distribution shall be made of the forms used in this procedure:

Form 163

The state office copy and the Washington office copy shall be forwarded to the state director.

The insured's copy shall be given to the insured at the completion of the inspection.

The county office copy shall be filed in the insured's crop insurance folder on file in the county office.

Form 167

The adjuster shall forward all copies of Form 167, including the insured's copy, to the state director.

After a review thereof has been made by the Corporation, the insured's copy will be mailed to him, the state office copy will be filed in the related folder, and the county office copy will be forwarded to the county office for filing in the insured's crop insurance folder.

Form FCI-15-Revised, "Transmittal of Forms --"

Form FCI-15 will be prepared by the state director. The branch office copy will be forwarded to the branch office together with Forms 167 and any attachments. The county office copy will be forwarded to the county office. The state office copy will be retained and filed in the state office.

